

JUDY CHU, Ph.D.
32ND DISTRICT, CALIFORNIA

**COMMITTEE ON
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SUBCOMMITTEE ON
INTELLECTUAL PROPERTY, COMPETITION,
AND THE INTERNET
SUBCOMMITTEE ON
CRIME, TERRORISM, AND HOMELAND SECURITY

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SMALL BUSINESS**
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SUBCOMMITTEE ON
AGRICULTURE, ENERGY, AND TRADE
SUBCOMMITTEE ON
ECONOMIC GROWTH, TAX, AND CAPITAL ACCESS

January 3, 2012



Congress of the United States
House of Representatives

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DISTRICT OFFICE:**

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California Department of Transportation
Division of Engineering Services
Attn.: John McMillan/Kris Kuhl
Office Engineers, MS 43
1727 - 30th Street
Sacramento, CA 95816-8041

Dear Mr. McMillan and Mr. Kuhl,

I am writing this letter in regards to the proposed award of Caltrans Project #08-448404.

Some constituent companies in our district have raised concerns with our office that the 7 percent threshold for Underutilized Disadvantaged Business Enterprises (UDBE) called for in this project has not been achieved by the selected bidder. In fact, the fencing subcontractor named by the bidder is not a UDBE-certified firm, while all other bidders on this project named a properly certified UDBE fencing subcontractor.

As you know, Caltrans is on record as being dedicated to increasing the participation of disadvantaged small businesses in its contracting and procurement efforts. In addition, Caltrans has committed to an overall DBE goal of 13.5 percent for its federally-funded projects.

During these difficult economic times, it is imperative that Caltrans shows its true commitment to those goals by making sure that contracts are awarded to companies that include underutilized, disadvantaged businesses in their bids, particularly when those companies are the rightful lowest bidder in a project. In this particular case, the proposed awardee's bid would cost the state's taxpayers an additional \$17.7 million above the next lowest bid.

As a result of the above facts, I respectfully request that you provide information to my office regarding how the proposed awarding of this project bid was determined. You may e-mail your response to this inquiry to my District Director, Fred Ortega, at fred.ortega@mail.house.gov. I also request that you provide this information prior to officially awarding this contract. If you have any questions, please do not hesitate to contact my District Director, Fred Ortega, at 626-448-1271.

Sincerely,

JUDY CHU, Ph.D.
Member of Congress, 32nd District



JUDY CHU, PH.D.
MEMBER OF CONGRESS

32nd District, California

FACSIMILE TRANSMITTAL SHEET

TO: *Cititrans* FROM: *Office of Rep. Judy Chu*
Attn: John McMillan/Kris Kuhl
COMPANY: DATE: *1-3-12*
FAX NUMBER: TOTAL NO. OF PAGES, INCLUDING COVER:
626-448-8062 *2*
PHONE NUMBER: RE:

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

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